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<http://www.medamembers.org>

MEDA represents over 230 members who are actively involved in local economic activity, community development, job retention and job creation for Montana.

January 10, 2011

TO: Chairman Walter McNutt and members of the House Appropriations Committee

RE: Opposition to HB140; Transfer funds from the economic development special revenue account

The Montana Economic Developers Association (MEDA) consists of economic and community development professionals from across our state. Our organization represents more than 230 members who are actively involved in local economic activity, community development, job retention and job creation for Montana.

MEDA strongly opposes HB 140, which transfers funding from the Big Sky Economic Development Trust Fund to the General Fund. We believe this legislation will hurt our efforts. MEDA understands Legislators must balance the state budget but does not believe it is wise to cut programs that create jobs and generate money for the state.

The Economic Impact Analysis conducted by the Census and Economic Information Center indicated that from July 1, 2005 to December 31, 2010 over \$4.8 million was awarded to Montana businesses. **This resulted in the leveraging of an additional \$617.4 million in project spending from private and local sources.**

Specifically, MEDA opposes HB 140 for the following important reasons:

1. Big Sky Economic Development Trust Funds are key to economic development planning efforts in Montana, and one of the only places available to secure such funding.
2. Leveraged funds from local sources, including the private sector, match Big Sky Economic Development Trust Funds grants. From 2005 – 2010 over \$600 million was generated. This match funding will be lost.
3. Job loss and de-investment into Montana's economy will harm the state's bottom line.
4. This fund transfer to the general fund sets a dangerous precedent for balancing our state's budget.
5. Projects already in progress will be placed on hold or never materialize as a result of this legislation.

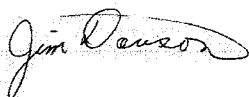
We urge your opposition to HB 140.

Thank you for considering these comments.

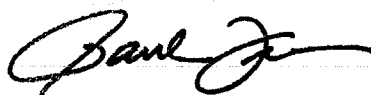
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Signed,



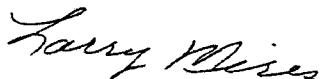
Jim Davison
MEDA



Paul Tuss
Bear Paw Development



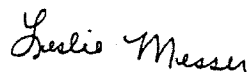
Jason Rittal
Eastern Plains EDC



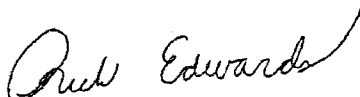
Larry Mires
St. Mary's Rehabilitation Project



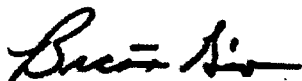
Dick King
Missoula Area Economic Development



Leslie Messer
Richland Economic Development



Rick Edwards
NorthWestern Energy



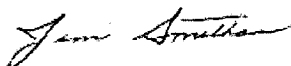
Brian Gion
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Terry Myhre
Montana Business Assistance Connection



Jim Smitham
Butte Local Development Corp



Jim Atchison
Southeastern Montana Development
Corp.



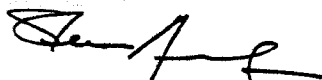
Stuart Leidner
Prospera Business Network



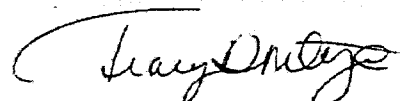
Kellie Danielson
Montana West Economic Development



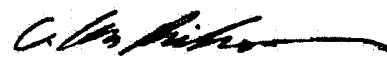
Cheryl Curry
Pondera Regional Port Authority



Steve Arveschoug
Big Sky EDA



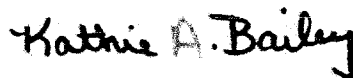
Tracy McIntyre
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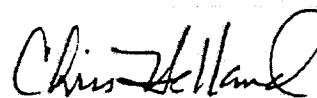
Ken Richardson,
CTA Architect Engineers



Tony Sitzmann
Sweetgrass Development Corp.



Kathie Bailey
Snowy Mountain Development Corp



Chris Holland
Two Rivers Economic Growth